WIELLOFAX 16

CLASSIFICATION CONFIDENTIAL

25X1A

Approved For Release 2000/05/22 GENA ROP82-00457R009400070 INFORMATION REPORT

COUNTRY Tanalia

DATE DISTR. 1.0 Des 53

SUBJECT Panama Political Situation

NO. OF PAGES

25X1A PLACE. ACQUIRED

25X9X

NO OF ENCLS

DATE OF

DO NOT CIRCULATE

SUPPLEMENT TO 25X1A.

The following analysis of the present political situation in lamama was made by a local business man who has an excellent knowledge of Recal economic and political conditions:

The campaign of Colonel Jose Antonio Remon Cantera is probably a serious political mistake. The group that is backing Remon had available ar excellent Presidential candidate in Henrique Obarrio, Comptroller of the Republic, whose excellent reputation and integrity would have had wide appeal. ith Obarrio as President and Remon, his brother-in-law, as Chief of Police, economic and political stability could undoubtedly have been achieved. Remon, however, sincerely believes that he himself constitutes the only real hope for political (and therefore economic) its bility; and he believes that the people will share his convictions. Z-Accordingly, despite what he regards as an economic and physical sacrifice, he has "reluctantly" agreed to run for Fresident.

- Remon's major opposition will, of course, come from Roberto Chiari, w.o will receive the bulk of the Interior vote. Remon's influence in the city, however, may counterbalance the instinctive reaction of the average voter against the police-type power. In a fair, honest vote count, these two factors could well tend to make the issue close. The support of the Partido Renovador for Remon is important in that the San Blas wote and a large block in Colon is automatically swung to his support.
- Since Remon has resigned his position as there of Police, the immediate question at issue is whether the Panama Mational Folice (PHP) will remain loyal to him or show allegiance to the new Commandant, Bolivar-Vallarino. In the event that their loyalty is to the latter, the possibility must be taken into account that Vallarino may not support Remon with force if Remon fails to win the election on an honest basis. It is difficult to believe that Vallarino will desert Hemon's camp at this time, but on the other hand the fact must not be overlooked that it would be psychologically onerous for Vallarino to hold down the populace, subdue street riots, and be maligned in print simply to maintain Remon in office.

CLASSIFICATION CONFIDENTIAL DISTRIBUTION NSRB Decylnent No. ____ No Change In Class. Declarsified[®] Class. Changed To: TS S Auth.: HR 79-2 Approved For Release 2000/05/22 : CIA-RDP82-06459R008400070062-8

Approved For Release 2000/05/22: CIA_RDP82-00457R009400070@52-64 SECURITY INFORMATION CENTRAL INTELLIGENCE AGENCY

The uncertainty of continued PNP support of Remon is also revealed in a report submitted by who advises that although Pastor Ramos, PNP Chief in Colon, is a good friend of Remon's he is an even better friend of Vallarino's. In view of this factor, it is believed that in the future, the PNP in Colon can be expected to support Vallarino rather than Remon. 25X1X

CONFIDENTIAL